

ANNEX II

REGULATION OF MEMBER OF BOARD OF GOVERNORS

NUMBER 24/ 2 /PADG/2022

ON 25 FEBRUARY 2022

ON

TRANSACTIONS OF SECURITIES UNDER CROSS-
CURRENCY REPURCHASE AGREEMENT IN RUPIAH
AGAINST RINGGIT BETWEEN BANKS AND BANK
INDONESIA TO SUPPORT LOCAL CURRENCY
SETTLEMENT

EXAMPLE OF CCR MYR/IDR LCBSA TRANSACTIONS

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A. Example of Application for CCR MYR/IDR LCBSA Transaction

To: BIRU - DPM Bank Indonesia

Refer to announcement CCR MYR/IDR LCBSA, we intend to submit CCR MYR/IDR LCBSA bid as below:

Bank Name: [Indonesian ACCD Bank]

Transaction date: 21 March 20XX

Value trade: MYR1,000,000

Tenor: 1 month (31 days)

Val. date: 22 March 20XX

Maturity date: 22 April 20XX

Collateral:

A FR44 IDR2,000,000,000 remaining life 2yr

B FR80 IDR1,600,000,000 remaining life 6yr

SSI: [SSI Bank ACCD Indonesia]

Purpose: Cover position of LCS transaction

Regards

Bank Name

B. Example of Calculation of Repurchased SBN Nominal Value

If an Indonesian ACCD Bank applies for CCR MYR/IDR LCBSA Transaction amounting to MYR1,000,000.00, the minimum nominal value of repurchased SBN by the Indonesian ACCD Bank will amount to the value of CCR MYR/IDR LCBSA Transaction converted into rupiah, with the following calculation example:

Conversion value of CCR MYR/IDR LCBSA Transaction in rupiah		
Transaction Nominal Value of CCR MYR/IDR LCBSA Transaction	Conversion of CCR MYR/IDR LCBSA Transaction in rupiah (MYR/IDR = Rp 3,446.79*)	Calculation Result (IDR)
MYR 1,000,000	$MYR\ Nominal \times MYR/IDR\ rate$ $1,000,000 \times 3,446.79$	3,446,790,000
	Minimum nominal value of repurchased SBN:	3,447,000,000*
Notes: *) Use BI selling transaction rate on 21 March 20XX. *) SBN nominal value in IDR is rounded up to Rp1,000,000 (the smallest unit of SBN).		

Collateral Name	Collateral Value Nominal value x (reference price – haircut)	Calculation Result (IDR)
Collateral A (FR44)	= 2,000,000,000 × (101.35 % – 5.0%)	1,927,000,000
Collateral B (FR80)	= 1,600,000,000 × (106.85 % – 7.5%)	1,589,600,000
Collateral
Collateral
	Total Collateral Value:	3,516,600,000

Based on the calculation result, the total collateral value is higher than or equal to the nominal value of application for CCR MYR/IDR LCBSA Transaction (in IDR) where it meets the pledge requirement for CCR MYR/IDR LCBSA Transaction.

- C. Example of Calculation of Fund Settlement on Maturity Date
- Mandatory settlement by an Indonesian ACCD Bank as and when due (say, Repo Rate = 1.86%):

Fund settlement
on maturity date

= Value of CCR MYR/IDR
LCBSA Transaction

+ repo rate

Repo rate

= Value of CCR MYR/IDR
LCBSA Transaction

x Repo Rate × $\frac{\text{term}}{365}$

= 1,000,000 × 1.86% × $\frac{31}{365}$

= **1,579.73**

Settlement fund on
maturity date (MYR)

= 1,000,000 + 1,579.73

= **1,001,579.73**

- D. Example of Calculation of Outright SBN Sale among others Due to Settlement Failure on Maturity Date
1. SBN with coupon or yield, the formulation calculates accrued interest with the following calculation example:

General Information	
Transaction Date	21 March 20XX
Value Date	22 March 20XX
Maturity Date	22 April 20XX
Nominal Value of Application	MYR 1,500,000

BI Transaction Selling Rate of MYR/IDR on the transaction (21 March 20XX)	MYR 1 = IDR 3,446.79
Minimum Collateral Value	= 1,500,000 × 3,446.79
	= 5,170,185,000
(Rounding)	≈ IDR 5,171,000,000
Collateral Name	: FR080
Reference Price – 21 Mar 20XX	: 106.80%
Reference Price – 22 Apr 20XX	: 108.85%
Nominal Value of SBN Collateralized by Bank	: IDR 5,200,000,000
Accrued Interest on maturity date	: IDR 137,144,800
BI Transaction Selling Rate of MYR/IDR on outright transaction (22 April 20XX)	MYR 1 = IDR 3,445.51
Calculation of Outright SBN Sale – 22 April 20XX	
SBN Sale Value (IDR)	= (Nominal value x Price Reference) + Accrued Int.
Under article 40 paragraph 2, the highest SBN price used equals to SBN price on the date of CCR MYR/IDR LCBSA Transaction	= (5,200,000,000 x 106.8%) +137,144,800
	= 5,553,600,000 + 137,144,800
	= IDR 5,690,744,800
Value of Mandatory Fund Settlement on Maturity Date	= 1,500,000 + [1,500,000 × 1.86% × (31/365)] = MYR 1,502,369.59
Conversion Value of Mandatory Fund Settlement on Maturity Date	= 1,502,369.59 × 3,445.51 = IDR 5,176,429,443
Difference (SBN sale value against conversion value of mandatory fund settlement on maturity date)	= 5,690,744,800 – 5,176,429,443
	= IDR 514,315,357
Bank Indonesia credits the rupiah Giro Account of Indonesian ACCD Bank amounting to the difference, namely IDR 514,315,357.	

Sanction	= 0.01% × Value of Mandatory Settlement on Maturity Date (IDR)
	= 0.01% × 5,176,429,443
	= IDR 517,643
Minimum sanction	≈ IDR 10,000,000

Bank Indonesia debits the rupiah Giro Account of Indonesian ACCD Bank amounting to the minimum sanction.

2. SBN without coupon or yield, the formulation does not calculate accrued interest with the following calculation example:

General Information	
Transaction Date	21 March 20XX
Value Date	22 March 20XX
Maturity Date	22 April 20XX
Nominal Value of Application	MYR 1,000,000
BI Transaction Selling Rate of MYR/IDR on the transaction (21 March 20XX)	MYR 1 = IDR 3,446.79
Minimum Collateral Value	= 1,000,000 × 3,446.79
	= 3,446,790,000
(Rounding)	≈ IDR 3,447,000,000
Collateral Name	: SPN12230105
Reference Price – 21 Mar 20XX	: 99.126%
Reference Price – 22 Apr 20XX	: 93.851%
Nominal Value of SBN Collateralized by Bank	: IDR 3,650,000,000
BI Transaction Selling Rate of MYR/IDR on outright transaction (22 April 20XX)	MYR 1 = IDR 3,445.51
Calculation of Outright SBN Sale – 22 April 20XX	
SBN Sale Value (IDR)	= (Nominal Value x Reference Rate)
	= (3,650,000,000 × 93.85%)
	= IDR 3,425,525,000
Value of Mandatory Fund Settlement on Maturity Date	= 1,000,000 + [1,000,000 × 1.86% × (31/365)] = MYR 1,001,579.73
Conversion Value of Mandatory Fund Settlement on Maturity Date	= 1,001,579.73 × 3,445.51 = IDR 3,450,952,962
Difference (SBN Sale Value against Conversion Value of Mandatory Fund Settlement on Maturity Date)	= 3,425,525,000 – 3,450,952,962
	= (IDR 25,427,962)
Bank Indonesia debits the rupiah Giro Account of Indonesian ACCD Bank amounting to the difference, namely IDR 25,427,962.	

Sanction	= 0.01% × Value of Mandatory Settlement on Maturity Date (IDR)
	= 0.01% × 3,450,952,962
	= IDR 345,095
Minimum sanction	≈ IDR 10,000,000
Bank Indonesia debits the rupiah Giro Account of Indonesian ACCD Bank amounting to the minimum sanction.	

MEMBER OF BOARD OF
GOVERNORS,

SIGNED

DESTRY DAMAYANTI